

2010 Session Report

Bringing Jobs Back to the Region

With the public discussion focused on the budget, it was easy to miss some of the great work we did to help create jobs. My bill, HB 2658, reorganizes and focuses the Department of Commerce so it can devote resources to its highest priorities – jobs and the economy. To ensure that non-economic development programs aren't hindered by the transition, a Community Service and Housing Division is also created.

Jobs Act – We passed HB 2561, putting a bond measure on the ballot. If approved by voters, around 38,000 green jobs would be created through energy-efficiency projects at schools and public buildings. The energy savings, estimated at \$190 million a year, means the projects and upgrades will pay for themselves.

WA Works Housing Act – 8,000 jobs will be created under HB 2753, which allows the Housing Finance Commission to bond \$1 billion for workforce housing.

New skills for workers – Workforce training is critical to a healthy job market. New sectors open and we want Washington residents ready for those jobs. One key area that continues to grow is nursing. I voted for a nursing career ladder program, SB 6582, which will help current home care workers and medical assistants to become certified nursing assistants, through additional training and passing an exam.

Supporting colleges and their students

Access to higher education is critical for students, and to our economy. For the students, an advanced degree opens doors that might otherwise be closed.

The recession has forced the state to make difficult choices, including allowing four-year universities to increase tuition 14 percent last year, and again this year. However, we held the line and prevented cuts to our State Need Grants which currently help 74,000 students attend college. I did not want to raise tuition, but I do support keeping spots open in classrooms so people can receive an education that leads to opportunity.

Affordable loans – College loans are increasingly the way low and middle-income students are able to graduate. President Obama and Congress recently passed higher education reform to reduce the cost of loans.

Opportunity Express – Our Worker Retraining Program helps connect people with training and degrees in in-demand fields like health care and aerospace. In 2009, enrollment in this program was up 70 percent over the last year. The Opportunity Express legislation which I co-sponsored, HB 2620, focuses training on high-demand fields, and funding for retraining was increased \$17.5 million.

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Representative
Phyllis Gutierrez Kenney

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Olympia, WA 98504-0600



**TOWN
HALL
MEETING**

Saturday, May 22nd

10:30 am – 12:00 pm

**Meadowbrook
Community Center
(10517 35th Ave NE)**



State Representative
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46th Legislative District



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Committees

- *Chair*, Community and Economic Development and Trade
- Ways and Means
- General Government Appropriations

Dear neighbors,

We've had a couple of rough years, due in large part to the global recession. Many families are feeling the pain and our state budget has not been an exception. The \$2.8 billion deficit meant some difficult choices this past session on what to cut and what taxes to raise to pay for what we felt we could not cut.

From the constant phone calls, emails, visits, and letters sent to me this session, it has been clear that we watch out for each other in the 46th district. The support for raising revenue to fund programs like Basic Health, GAU, the Housing Trust Fund, and many other state programs that provide services to our most vulnerable was overwhelming.

In addition to addressing our budget woes, my colleagues and I also looked for ways we could best promote the economy, encourage the creation of family wage jobs, support small business, and ensure that we emerge from this recession stronger and more competitive than before. This included taking a critical look at our higher education system and workforce training programs to see how we can promote the creation of new technologies and make certain that our workforce has the necessary skills to work with these new technologies.

As we prepare for the next session, my goal is to talk to as many of you as I can and get your input and ideas for how we can strengthen our economy and stabilize our state revenue sources.

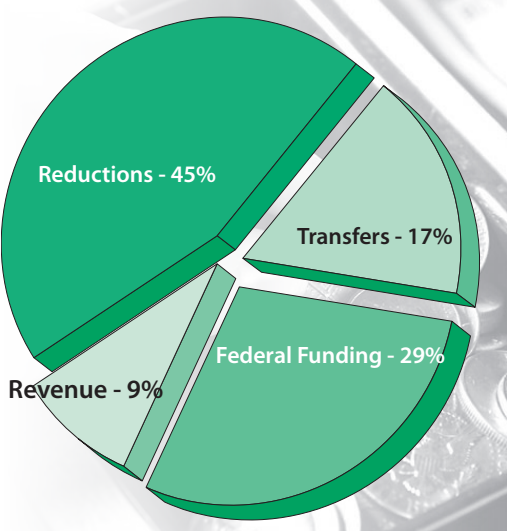
Sincerely,

A stylized signature of Phyllis Gutierrez Kenney in green ink.
Phyllis Gutierrez Kenney

Budget: Balanced with cuts, revenue

Developing and passing a balanced budget this session was painful. There are 147 legislators from all parts of the state, and they all believe different things are important. I knew going in that the services the state provides are critical, especially during a recession as bad as this one.

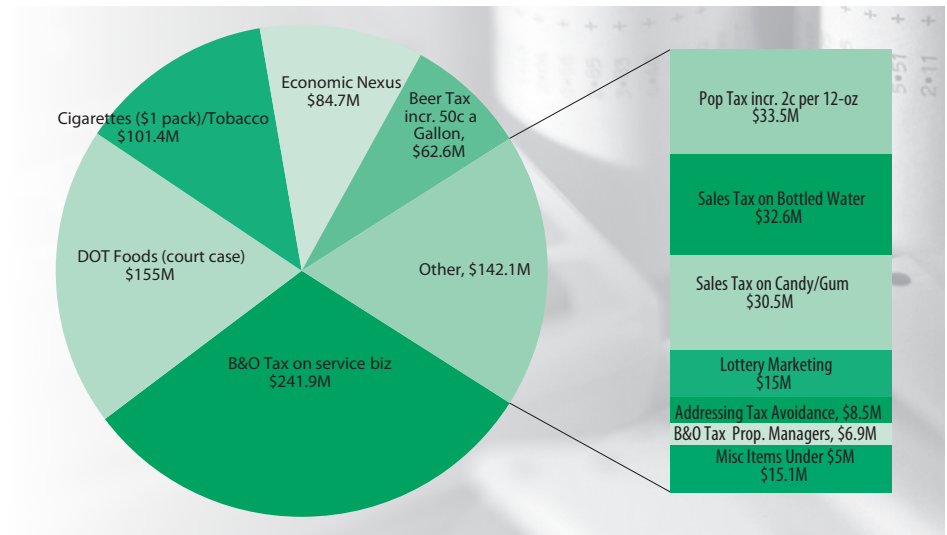
In the end, we addressed a \$12 billion two-year budget shortfall with federal support, fund transfers, new revenue, and cuts.



How the \$12 billion budget shortfall was addressed.

Because of the cuts we took last year, and the increased need for state services, I advocated for more revenue than the \$760.4 million we finally approved. The revenue package we did pass included a \$1 increase on a pack of cigarettes and an increase on other tobacco products, a sales tax now being applied candy and gum, and \$162.7 million by addressing recent court cases. There are also temporary taxes, expiring mid-2013,

including a 28-cent increase per six-pack on non-microbrew beer, a business and occupation tax on service businesses, and a 2-cent increase per can of pop.



Revenue increases made in current budget.

Our current budget protects vital state programs. Proposed cuts that were prevented because of new revenue: : \$161 million to keep the Basic Health Plan providing health insurance to 65,000 low-income people; \$11.6 million in funds to provide health insurance to 16,000 kids through our Apple Health for Kids program; and \$7 million for basic help for seniors, like transportation.

Education reform focused on student learning

I don't know of any issue more important than education. A good education allows children opportunities their parent or grandparent may never have dreamed about. It also is an investment in the next generation of leaders, inventors, scientists, and philanthropists. Our State Constitution tells the Legislature that education is our paramount duty, and we made progress towards that this session.

Two important programs, bonuses for teachers that become National Board Certified, and our currently funded all-day kindergarten, were on the chopping block. I voted to keep these education promises funded in the final budget.

Increasing the School Levy Lid – To help offset some of the state funding cuts to school districts, the Legislature passed a bill allowing a 4 percent increase in how much school levies can ask for. We also allowed districts to count their levies as a percentage of their budget as if funding for Initiatives 728 and 732 had not been suspended. This will alleviate the effect of the cuts made and help students.

Race to the Top – Across the nation, states are implementing education reforms to help them compete for a portion of \$4 billion in federal grants. The Race to the Top initiative is focused on student learning, using data and better evaluations to increase the level of learning for every student. We passed SB 6696, now law, to better evaluate teachers using a four-level rating system, help turnaround low-performing schools, and make us competitive for needed federal funding grants.

Education Funding Reform – The way the state provides funding to school districts is antiquated, and last session we passed a historic reform bill to move us to a better system. With this year's legislation, HB 2776, we took the next steps in updating our funding formulas so our schools can provide a great education to every child. Those changes include setting up a new model-school formula, simplifying the budgeting process and increasing transparency, phasing in 17-student class sizes for grades K-3 by the 2017-18 school year, and an improved transportation funding model.



Health care and safety net

The federal health insurance reform was a historic win for the nation, and our state. Securing affordable health care coverage has been problematic for businesses, government, and families for years. Our Legislature has been innovative in trying to deal with the problem and are ahead of many states with our Basic Health and Apple Health for Kids programs, but we needed national action on this widespread problem.

Federal reform means that 105,000 people with pre-existing conditions will not be denied coverage, and 811,000 previously uninsured families will now get insurance and consistent access to health care. That will have a huge impact on those families – and will save lives.



Maintaining our state's safety net – In our Washington this year, we maintained our Basic Health Program, which provides coverage to 65,000 people who could otherwise not afford insurance. In previous years, seniors and nursing homes often were the victims of budget cuts. While

some reductions were made, overall funding for seniors and long-term care went up \$26.6 million in this budget.

Our General Assistance Unemployable program, which provides income and medical support to childless adults who can't work due to a disability, was renamed to Security Lifeline. While \$28 million in cuts were made to the Lifeline, it will be done by attempting to transition people off through a 24-month cap on benefits, and an increased emphasis on chemical-dependency, housing, and job assistance.



Keeping people moving

Ensuring mobility for commuters, families, freight, and visitors is critical to Washington's economic success and high quality of life. A measure to help transit agencies with their funding problems was stopped short this year, and I'm hopeful transit service can continue while we work to pass the funding next session.



The state continues to move forward on replacements for the Alaskan Way Viaduct and SR 520 Bridge. This session SR 520 was the focus, and we passed SB 6392 which allows 520 work on the eastside of the lake to begin, while our concerns about transit and impacts to Seattle communities is discussed and recommendations are worked up for next session.